

# Oregon State Income Tax Information

<b>State Abbreviation:</b>	OR
<b>State Tax Withholding State Code:</b>	41
<b>Acceptable Exemption Form:</b>	W-4
<b>Basis For Withholding:</b>	State or Federal Exemptions
<b>Acceptable Exemption Data:</b>	S, M / Number of Exemptions
<b>TSP Deferred:</b>	Yes
<b>Special Coding:</b>	None
<b>Additional Information:</b>	If a state income tax certificate has not been processed or if a valid state exemption code is not present, the Federal exemption code will be used in the computation of state tax or if an invalid marital status (other than S or M) is present with the number of state exemptions, the highest Oregon withholding rate (Single) with the number of exemptions will be used in the computation of state tax.

## Withholding Formula ►(Effective Pay Period 11, 2007)◄

1. Subtract the nontaxable biweekly Thrift Savings Plan contribution from the gross biweekly wages.
2. Subtract the nontaxable biweekly Federal Health Benefits Plan payment(s) (includes ►dental and vision insurance program, and◄ flexible spending account – health care and dependent care deductions) from the amount computed in Step 1.
3. Add the taxable biweekly fringe benefits (taxable life insurance, etc.) to the amount computed in step 2 to obtain the adjusted gross biweekly wages.
4. Multiply the adjusted gross biweekly wages times 27 to obtain the gross annual wages.
5. ►Determine the standard deduction allowance by applying the following guideline and subtract this amount from the annual wages.

<b>If the Employee Is:</b>	<b>The Standard Deduction Is:</b>
Single claiming less than 3 exemptions	\$ 1,870
Single claiming 3 or more exemptions	\$ 3,740
Married	\$ 3,740◄

6. Multiply the biweekly Federal income tax withholding times 27 to obtain the annual Federal income tax withholding (up to a maximum of ►\$5,500◄) and deduct from the result of step 4 to obtain the taxable income.
7. Apply the taxable income computed in step 5 to the following table to determine the annual Oregon tax withholding.

Tax Withholding Table									
Married									
or									
Single (With Three or More Exemptions)									
If the Amount of Taxable Income Is:					The Amount of Oregon Tax Withholding Should Be:				
Over:		But Not Over:						Of Excess Over:	
\$ 0		\$ ▶5,700			\$ 0	plus	5%	\$ 0	
5,700		14,300			285	plus	7%	5,700	
14,300		and over			887	plus	9%	14,300◀	

Single									
(With Less Than Three Exemptions)									
If the Amount of Taxable Income Is:					The Amount of Oregon Tax Withholding Should Be:				
Over:		But Not Over:						Of Excess Over:	
\$ 0		\$ ▶2,850			\$ 0	plus	5%	\$ 0	
2,850		7,150			143	plus	7%	2,850	
7,150		and over			444	plus	9%	7,150◀	

8. Multiply the number of exemptions by ▶\$165◀ and subtract from the result of step 6 to obtain the annual Oregon tax withholding.
9. Divide the annual Oregon tax withholding by 27 to obtain the biweekly Oregon tax withholding.